

## Rumrill, Nancy

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**From:** Rumrill, Nancy  
**Sent:** Monday, October 3, 2022 11:34 AM  
**To:** Erin Young  
**Cc:** Farrell, Abigail (she/her); Rao, Kate  
**Subject:** FW: FW: Permits of interest - cross-check with EPA Class V database  
**Attachments:** McCauley Processing Facility (1).pdf

Hi Erin,

Please find the attached information regarding ADEQ review of Desert Mountain Energy. Federal regulations require injection activities to register at [Underground Injection Well Registration in EPA's Pacific Southwest \(Region 9\) | US EPA](#), pursuant to 40 CFR §144.26, and to not use injection wells in a manner that will contaminate underground sources of drinking water as defined and described in 40 CFR Part 144. We reviewed the iWells database for the company ever registering wells for a Class V injection activity. We do not have a record of one being reported.

Thanks, Nancy Rumrill

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*Nancy Rumrill*  
*Groundwater Protection Section*  
*US Environmental Protection Agency, Region 9*  
*75 Hawthorne Street (WTR-4-2)*  
*San Francisco, CA 94105*  
*Phone (415) 972-3293*

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**From:** Daniel Reeder <reeder.daniel@azdeq.gov>  
**Sent:** Monday, September 26, 2022 4:50 PM  
**To:** Rumrill, Nancy <Rumrill.Nancy@epa.gov>  
**Subject:** Fwd: FW: Permits of interest - cross-check with EPA Class V database

Hi Nancy-

I'm forwarding you the email below from Diana Gutierrez regarding the Desert Mountain Energy helium wells. They did meet with Diana last March, but it was determined that an APP would not be required.

Thanks

----- Forwarded message -----

**From:** Diana Gutierrez <[gutierrez.diana@azdeq.gov](mailto:gutierrez.diana@azdeq.gov)>  
**Date:** Mon, Sep 26, 2022 at 4:31 PM  
**Subject:** Re: FW: Permits of interest - cross-check with EPA Class V database  
**To:** Daniel Reeder <[reeder.daniel@azdeq.gov](mailto:reeder.daniel@azdeq.gov)>

Hey Dan,

We had a pre-application meeting with Desert Mountain Energy on March 3, 2022 for their McCauley Processing Plant. It was decided in the meeting that they would not need an APP because they will not be stimulating any wells with acid or proppant. I attached the pdf they provided for the pre-application meeting that explains their facility and plans. Please let me know if you have any questions.

Thank you,

**Diana Gutierrez**

Hydrogeologist III, Groundwater Protection

Ph: 602-771-4141



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On Mon, Sep 26, 2022 at 4:16 PM Daniel Reeder <[reeder.daniel@azdeq.gov](mailto:reeder.daniel@azdeq.gov)> wrote:

Hi Diana-

I received an inquiry from Nancy Rumrill at EPA regarding the attached drilling permits issued by OGCC for helium extraction wells. The name of the permittee is Desert Mountain Energy. I don't believe they have an APP or even inquired about an APP, but I thought I would check with you first.

----- Forwarded message -----

From: **Rumrill, Nancy** <[Rumrill.Nancy@epa.gov](mailto:Rumrill.Nancy@epa.gov)>

Date: Mon, Sep 26, 2022 at 3:36 PM

Subject: FW: Permits of interest - cross-check with EPA Class V database

To: Daniel Reeder <[reeder.daniel@azdeq.gov](mailto:reeder.daniel@azdeq.gov)>, Vimal Chauhan <[chauhan.vimal@azdeq.gov](mailto:chauhan.vimal@azdeq.gov)>

Hi Dan,

I would like to find out if there is a Aquifer Protection Permit for Desert Mountain Energy Corp. Did the APP Program have a chance to review this Helium producer and any potential stimulation program? Is it only Helium? I would like to schedule a call with you and Vimal to discuss this site and Excelsior. Excelsior has recently proposed a stimulation program and I want to see if you have any input. Are you and Vimal available sometime this week?

Thanks, Nancy

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**From:** Erin Young <[EYoung@flagstaffaz.gov](mailto:EYoung@flagstaffaz.gov)>  
**Sent:** Monday, September 19, 2022 3:03 PM  
**To:** Rumrill, Nancy <[Rumrill.Nancy@epa.gov](mailto:Rumrill.Nancy@epa.gov)>  
**Subject:** Permits of interest - cross-check with EPA Class V database

Hello Nancy,

The City of Flagstaff is concerned with oil and gas activities occurring in the vicinity of the City's Red Gap Ranch - a future water ranch to serve potable water to Flagstaff and possibly surrounding communities. Our target aquifer at this point in time is the C aquifer. There is little information on the R aquifer in this area and whether there could be upward migration of water from the lower R aquifer to the C aquifer. There are mapped geologic structures across and adjacent to Red Gap Ranch and so the concern is the fractured rock aquifer systems are in communication even if not the target of helium/oil/gas activity. I've found the attached permits issued by the AOGCC to be located within an area of concern surrounding the ranch. Any information you can provide is helpful. I have questions regarding whether the activities should be regulated by or permitted through a ADEQ or EPA UIC program, and if not, why the activities are not required to have those permits.

Thank you,

Erin Young, R.G.

Water Resources Manager

928-851-5952

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Dan Reeder

Principal Hydrogeologist, Groundwater Protection

Ph: 602-771-4127



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Dan Reeder

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